Santa Clara Valley Water District

2011
ANNUAL REPORT

The mission of the district is to provide for a healthy, safe and enhanced quality of living in Santa Clara County through watershed stewardship and comprehensive management of water resources in a practical, cost-effective and environmentally sensitive manner for current and future generations.

Don Gage
District 1
(Board Chair)

Joe Judge
District 2

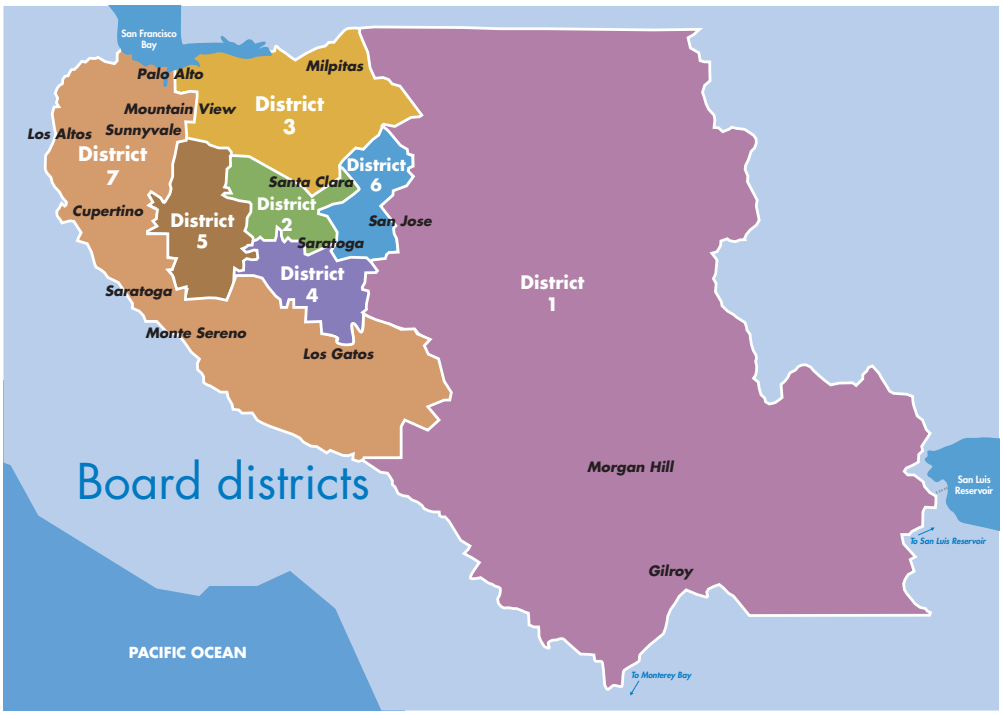
Richard Santos
District 3

Linda J. LeZotte
District 4
(Vice Chair)

Patrick Kwok
District 5

Tony Estremera
District 6

Brian Schmidt
District 7



Pursuant to the District Act, the water district's Board of Directors governs the district and directs the Chief Executive Officer. All seven board members are elected from districts shown in the map above. Board members serve overlapping four-year terms and elect a new chair and vice chair each January.

District at a glance

Cities served: 15
Water retailers served: 12
Population served: 2 million residents and commuters
Budget: $315 million
Water used in the county: Approximately 370,000 acre-feet (AF)
Water imported: 127,900 AF
Groundwater recharged: 99,800 AF
Reservoirs: 10, combined capacity of 169,000 AF
Treatment plants: 3, delivered 110,700 AF
Pumping plants: 3
Miles of streams maintained: 275
Miles of pipelines: 143

CEO message

As a public agency, we are here to serve the community to ensure a safe, clean water supply, provide flood protection and provide environmental stewardship of the county streams.

This report presents a subset of the projects and services provided to the community. The successful delivery of these projects and services is due to the highly technical and administrative expertise of the district employees that address the challenges to accomplish the mission of the district. I want to take this opportunity to thank the employees for their hard work and dedication to delivering high-quality services and projects to the community.

Over the past year, the district has made significant progress on three major flood protection projects: Calabazas Creek on the Saratoga/San Jose border, Lower Silver Creek in East San Jose and Upper Guadalupe River in downtown San Jose. Upon completion, these projects alone will protect 11,700 properties. In addition, annual stream maintenance protected us through heavy rains without major flooding.

A critical piece of infrastructure that has required special attention this year is dam safety. Using today's knowledge of seismic engineering, eight of the district's 10 dams, which were constructed from the 1930s through to 1950s, are being evaluated for seismic safety. This analysis will continue over the coming years with significant investments likely to be required.

Regarding water supply, we have been highly engaged in statewide and national discussions about a long-term solution to achieve sustainability of the Delta for both water supply reliability and ecosystem health. Our county's reliance on imported water for 55 percent of our water supply makes our involvement in the Delta conversation a major priority for our agency.

But we cannot rely on existing water supplies to meet our future demands. Therefore, the district has continued to increase its diverse water supply portfolio. In 2010, we broke ground on a $42 million advanced water purification facility, a joint project between the Santa Clara Valley Water District and the San Jose/Santa Clara Water Pollution Control Plant to produce highly purified water to enhance our recycled water supply.

While conservation is also a large part of our supply picture, the district board revised its call for mandatory conservation to voluntary conservation. And the community responded with 17 percent reduction in water use.

In September 2010, a major environmental restoration project came to fruition with the construction and opening of one of the eight tidal gates connecting a former salt pond to the tidal water of Alviso Slough and the San Francisco Bay. The project is a partnership with the U.S. Fish and Wildlife Services. You can find more information on this project and others in the district's annual Stream Stewardship Report, which highlights our commitment to environmental stewardship.

The district continued to leverage public funds by engaging the community. We awarded 28 grants, totaling $3.4 million and leveraging $16 million, for trails; continued engaging volunteers through cleanup events and Adopt-A-Creek programs; and launched a focused outreach effort to well owners describing our groundwater charge-setting process and soliciting their feedback.

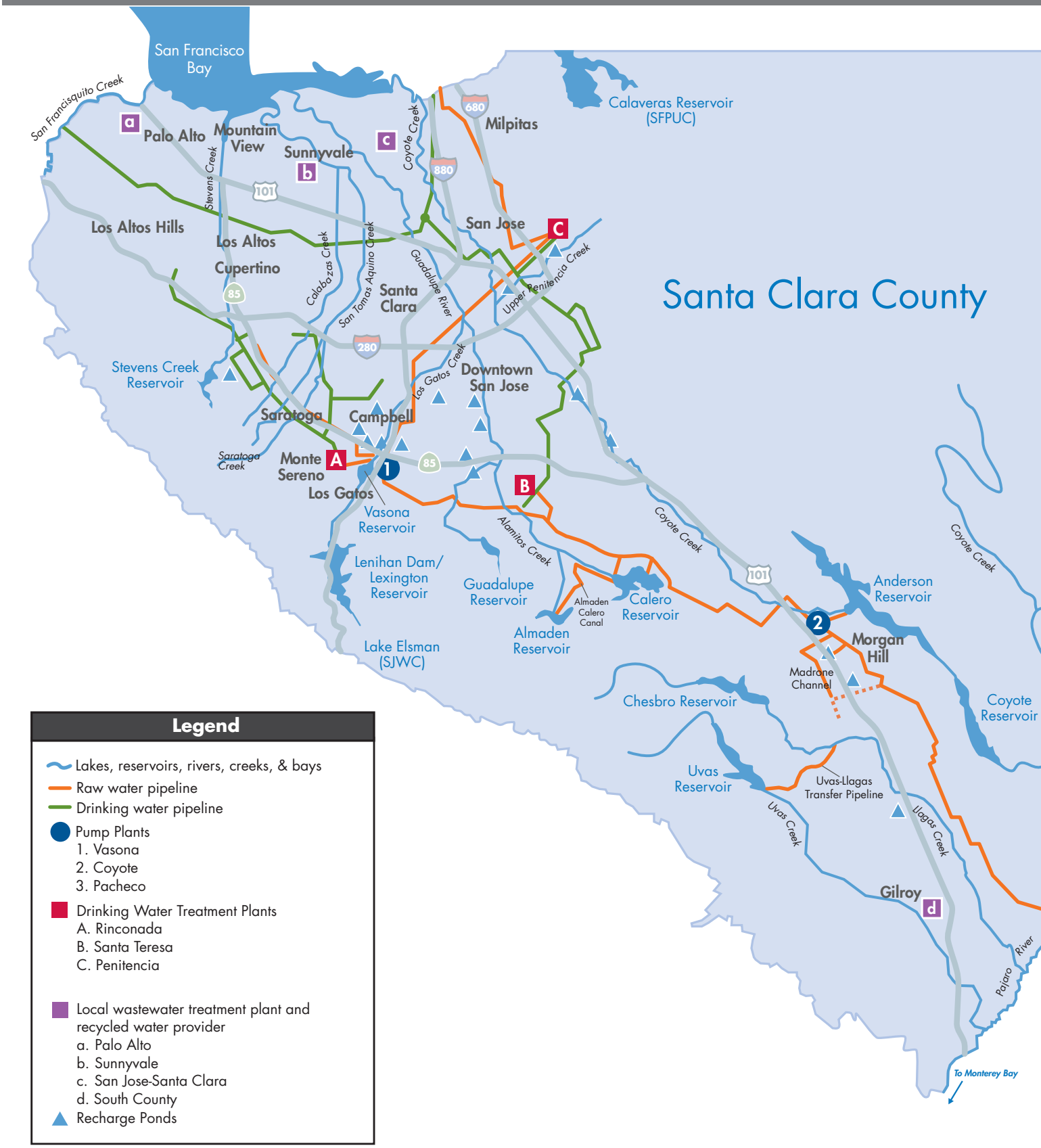
Amidst all these operational priorities, we welcomed three new board members in FY11. The combination of new perspectives and experience with existing experience and knowledge strengthens the board's governance and holds the district accountable for efficient delivery of the projects and services.

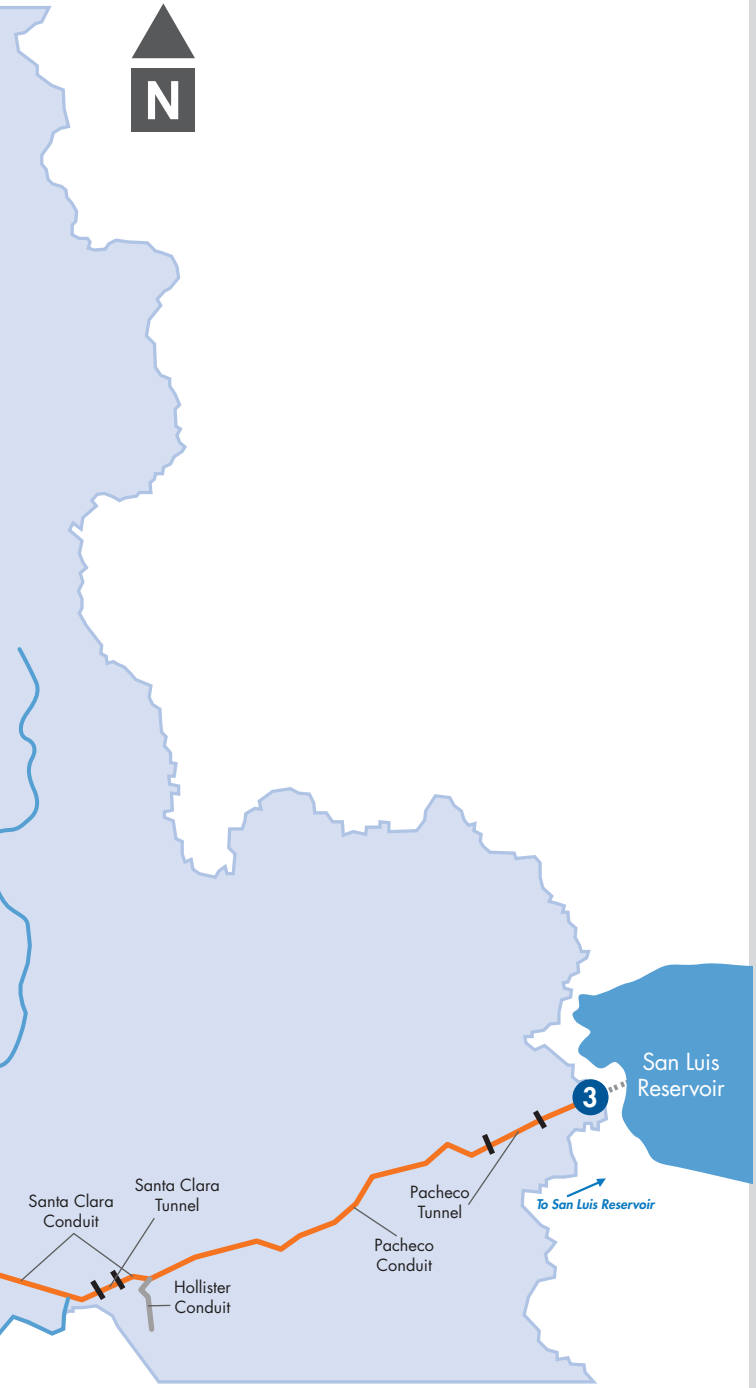
Finally, we continued to focus on gaining efficiencies and monitoring our financial performance. In FY11, we reduced expenditures without diminishing delivery of essential services.

Overall, we continue to look for innovative solutions to the challenges facing us, plan for and invest in maintaining a top-notch water system, and institutionalize improvements that lead us toward organizational excellence.

Beau Goldie
Chief Executive Officer

Overview


Santa Clara County
San Francisco Bay
San Francisquito Creek
Palo Alto
Mountain View
Sunnyvale
Milpitas
Calaveras Reservoir (SFPUC)
Los Altos Hills
Los Altos
Cupertino
San Jose
Santa Clara
Stevens Creek Reservoir
Saratoga
Campbell
Downtown San Jose
Monte Sereno
Los Gatos
Vasona Reservoir
Lenihan Dam/ Lexington Reservoir
Guadalupe Reservoir
Almaden Reservoir
Calero Reservoir
Almaden Calero Canal
Lake Elsman (SJWC)
Anderson Reservoir
Morgan Hill
Madrone Channel
Chesbro Reservoir
Coyote Reservoir
Uvas Reservoir
Uvas-Llagas Transfer Pipeline
Gilroy
To Monterey Bay
Legend
Lakes, reservoirs, rivers, creeks, & bays
Raw water pipeline
Drinking water pipeline
Pump Plants
1. Vasona
2. Coyote
3. Pacheco
Drinking Water Treatment Plants
A. Rinconada
B. Santa Teresa
C. Penitencia
Local wastewater treatment plant and recycled water provider
a. Palo Alto
b. Sunnyvale
c. San Jose-Santa Clara
d. South County
Recharge Ponds



The Santa Clara Valley Water District manages an integrated water resources system that includes the supply of clean safe water, flood protection and stewardship of streams on behalf of Santa Clara County's 1.8 million residents. The district effectively manages10 dams and surface water reservoirs, three water treatment plants, a state-of-the-art water quality laboratory, nearly 400 acres of groundwater recharge ponds and more than 275 miles of streams. We manage the groundwater basins for the benefit of well owners and provide wholesale water to local municipalities and private water retailers, who deliver water to homes and businesses throughout Santa Clara County.

The cities and towns served by the water district are: Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Monte Sereno, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, Saratoga and Sunnyvale.

The district's highest-level priorities are encompassed in three board policies:

- **Reliable, Clean Water:** There is reliable, clean water supply for current and future generations
- **Natural Flood Protection:** There is a healthy and safe environment for residents, business and visitors, as well as for future generations.
- **Healthy Creeks and Ecosystems:** There is stewardship of our water resources to protect and enhance watersheds and natural resources and to improve the quality of life in Santa Clara County

Clean, Reliable Water

Investing in infrastructure for safety and reliability

Throughout the year, the district's water treatment plants and pipelines are hard at work 24/7. In FY 2011, the district delivered 110,700 acre-feet of treated water and recharged the groundwater basin with 99,800 acre-feet water.

Each winter, when drinking water demands are lower, the district schedules maintenance, repairs and inspection of treatment plants and pipelines. One such major capital project carried out in 2010-11 involved the replacement of the first three of 12 adjustable speed drive pumps at the Pacheco Pumping Plant. Each of the three adjustable speed driver controls a 2000 horsepower pump motor. The plant, the largest district-operated pumping plant, pumps imported water from San Luis Reservoir. The total construction contract cost of the project is $11.6 million.

Some of the major water treatment plant capital projects carried out during the year were:

- Upgrade of the chemical systems, rehabilitation of the clarifiers, and replacement of numerous valves at the Rinconada Water Treatment Plant

Maintenance work at the Rinconada Water Treatment Plant

Anderson Dam

- Replacement of the backwash pump/motor and the backup generator system at the Penitencia Water Treatment Plant
- Initial work on reconfiguring the chemical piping at the Santa Teresa Water Treatment Plant to meet Santa Clara County hazardous materials regulations

Among the significant pipeline repair and maintenance work carried out during the year are:

- Maintenance on a three-mile section of 33 and 36-inch diameter East Pipeline, which provides drinking water to neighborhoods from Evergreen to Milpitas
- Inspection and repairs of the 78-inch diameter Almaden Valley Pipeline that transports untreated water to groundwater recharge ponds and water treatment plants
- Inspection and maintenance work on the Santa Clara Conduit that supplies imported water to replenish the South and North County groundwater basins and also to drinking water treatment plants. This eight-foot diameter pipeline runs through portions of Gilroy, Morgan Hill and San Martin

Anderson Dam Seismic Retrofit Project initiated

The district completed a seismic stability evaluation of Anderson Dam, which was built in 1950 and forms the county's largest reservoir. The findings indicate that part of the dam could experience significant slumping if a 7.25 magnitude earthquake were to occur on the Calaveras Fault within two kilometers of the dam. As a public safety measure, the reservoir water level will be kept at 45 feet below the dam crest until the dam is rehabilitated.

Following the findings, the district initiated the Anderson Dam Seismic Retrofit Project to modify the dam so that it can withstand large earthquakes and allow the reservoir to be safely filled to its capacity. The project includes seismic retrofit of the dam embankment and the possible retrofit/replacement of the existing dam outlet works. The project entails planning, design and construction, and is expected to be completed by the end of 2018.

The district also took immediate steps to improve emergency response and these included installing a new remote monitoring system at Anderson Dam and specific training for South County emergency responders. The Anderson Dam seismic study is part of the district's comprehensive dam safety program that includes completing seismic safety evaluations on eight of the district's 10 dams by 2013.

Working towards a sustainable Delta

Santa Clara County relies on water directly conveyed through the Sacramento-San Joaquin Delta to meet, on average, 40 percent of its annual water needs. It is critical that these imported water supplies be maintained, not only to meet annual water demands, but also to sustain the county's groundwater basins and prevent recurrence of groundwater subsidence and salt-water intrusion.

Towards this end, district staff has actively participated in Bay Delta Conservation Plan (BDCP) committees and workgroups on governance and biological goals and objectives. To facilitate implementation of habitat restoration measures envisioned in the BDCP, the district provided funding commitments to secure a prime parcel of land in Suisun Marsh for future tidal marsh restoration.

District staff presented an overview of Delta issues to the district board on May 10, 2011 to help educate the board and public on the importance of imported water and Delta planning efforts to our county.

Sacramento-San Joaquin Delta

Clean, Reliable Water

Advanced Water Treatment Facility groundbreaking

Groundbreaking on a high-quality recycled water treatment plant

The district and the cities of San José and Santa Clara broke ground on the Advanced Water Treatment Facility in October 2010. The facility, to be completed in 2012, will produce up to 10 million gallons per day of highly purified recycled water. The advanced treatment processes will consist of microfiltration, reverse osmosis and ultraviolet disinfection.

The near-distilled-quality water will be blended into existing recycled water produced by the adjacent San José/Santa Clara Water Pollution Control Plant to enhance overall recycled water quality. This enhanced blend of water will help expand its industrial and landscape use.

The total cost of the facility is $53 million and the district, which is the largest funder with $32 million, will own and operate the new treatment facility. The San Jose/Santa Clara Water Pollution Control Plant, which is administered by the City of San José, is providing $11 million in support and a lease for the facility lands. The project has also received $8.25 million from the federal AARA stimulus funds and $3 million from state Proposition 50 grant funding.

> "We in the Bay Area have emphasized recycling…so we can make sure we are utilizing what really is a scarce resource, in a very thoughtful and productive way, for the economy, for job creation, and also for our ecology."
>
> *Congresswoman Zoe Lofgren at the groundbreaking ceremony*

Water supply improves; conservation continues

Just over a year after calling for mandatory conservation, the district replaced it with a call for voluntary conservation in response to the improved water supply situation attributed to community conservation efforts, improved rainfall and a slowing economy. During the year, the water use in the county dropped by 17 percent.

In addition to the call for a short-term reduction, the district implemented 20 highly successful ongoing conservation programs, offering technical assistance and financial incentives to residents, businesses and farmers in the county. These programs, which are critical to ensure a reliable water supply, resulted in cumulative water savings of over 52,700 acre-feet/year and energy savings of 265 million kWh, enough to satisfy the annual electricity demands of approximately 41,000 average California households.

To encourage residents and businesses to continue their commitment to water efficiency, the district carried out its award-winning "Save 20 gallons" conservation campaign and stepped up outreach to the business and commercial sector. Among the businesses that made use of the district's money and water-saving conservation programs were eBAY, Marvell Technology, LSI Corporation and Lockheed Martin.

Ensuring water quality

Through daily testing and treatment of imported and local surface water, the district makes sure the treated water delivered is healthy and safe. The district's three surface water treatment plants utilized advanced treatment technologies to produce high-quality drinking water that consistently met all applicable drinking water regulatory standards.

In 2011, the district's state-of-the-art laboratory conducted more than 132,000 water quality tests on treated and groundwater. Groundwater samples were collected from 70 wells countywide and tested for more than 90 parameters. The district also evaluated data collected at more than 220 wells by local water retailers.

Water delivered from our three water treatment plants met, and in most cases exceeded, all state and federal health-based drinking water standards. Groundwater from nearly all wells tested in FY 2011 also met health-based standards with few exceptions, indicating that groundwater pumped by well owners is generally of high quality. The reports can be found on our website.

The district lab conducted more than 132,000 water quality tests
Lab technician conducting WQ tests

Natural Flood Protection

As Santa Clara County has grown, so has the need for flood protection. Through stream maintenance and flood protection projects, the district has worked hard to protect homes, businesses, schools, streets and highways from flooding.

Since the early 1980s, the district has invested more than $1 billion in flood protection programs, and has protected more than 97,000 properties from the one percent flood. To maintain the conveyance capacity of our streams, the district removed 20,820 cubic yards of sediment from the our local waterways in FY 2010-11.

Balancing the needs for flood protection and protection of streams as natural resources, the district employs technologies that help keep creeks as natural as possible. New, multipurpose projects combine flood protection with habitat enhancement and recreation.

Over the past year, the district made significant progress on three major flood protection projects: Calabazas Creek on the Saratoga/San Jose border; Lower Silver Creek in East San Jose; and Upper Guadalupe River in downtown San Jose.

Calabazas Creek Flood Protection Project

In August 2010, the district began heavy construction work on replacement of the Union Pacific Railroad Bridge and of an existing underground box culvert running underneath the southbound lanes of Saratoga-Sunnyvale Road.

Besides replacing the bridge and the box culvert, the project includes constructing a detention basin adjacent to the creek west of Saratoga-Sunnyvale Road, and carrying out bank erosion protection.

The construction work is part of the Calabazas Creek Flood Protection Project that will provide flood protection to 400 parcels in Saratoga and San José.

The project is scheduled to be completed at the end of September 2011 and is funded by the voter-approved Clean, Safe Creeks and Natural Flood Protection parcel tax.

Calabazas Creek project work in full swing

Lower Silver Creek Project, above, is spotlighted in Vice President Biden's list of "100 Recovery Act Projects that are Changing America"

Second phase of Lower Silver Creek project

Construction work began on the second phase of channel improvements along a 1.3 mile stretch of Lower Silver Creek, from I-680 to Story Road, in San Jose.

The six-phase flood protection project, a partnership with the Natural Resources Conservation Services, has been awarded $20.2 million in federal economic stimulus funds as part of American Recovery and Reinvestment Act. The construction work is expected to be completed by the end of 2014 and includes channel widening, installation and replacement of culverts and bridges and construction of floodwalls.

When completed, the entire project, stretching 4.4 miles from Lower Silver Creek's confluence with Coyote Creek in downtown San Jose to Lake Cunningham, will provide increased flood protection to nearly 3,800 homes and businesses. It will also create 3.4 acres of urban wetland habitat, a low-flow channel for fish passage and 6.3 acres of riparian plants.

Upper Guadalupe River project moves forward

In May 2010, the district began construction of the Reach 6 section of the Upper Guadalupe River Flood Protection Project. Reach 6 extends from I-280 to the Union Pacific Railroad (UPRR) crossing just downstream of Willow Street in San Jose.

Main components of Reach 6 include widening of the channel to improve flood conveyance capacity, and extending the West Virginia Street Bridge to accommodate the widened channel. In March 2011, the district re-opened the West Virginia Street Bridge, which was closed for eight months to allow for the bridge extension. Construction of Reach 6 is expected to be completed in March 2012.

The Upper Guadalupe River Flood Protection Project, which extends from I-280 to Blossom Hill Road, will provide flood protection to approximately 7,500 properties along the river, while preserving long-term environmental benefits for fish and wildlife habitat. A partnership with the U.S. Army Corps of Engineers, the project is scheduled to be completed in 2019, pending available federal funds. Lack of federal funding has been a challenge and we continue to work with our elected officials to get the much-needed dollars.

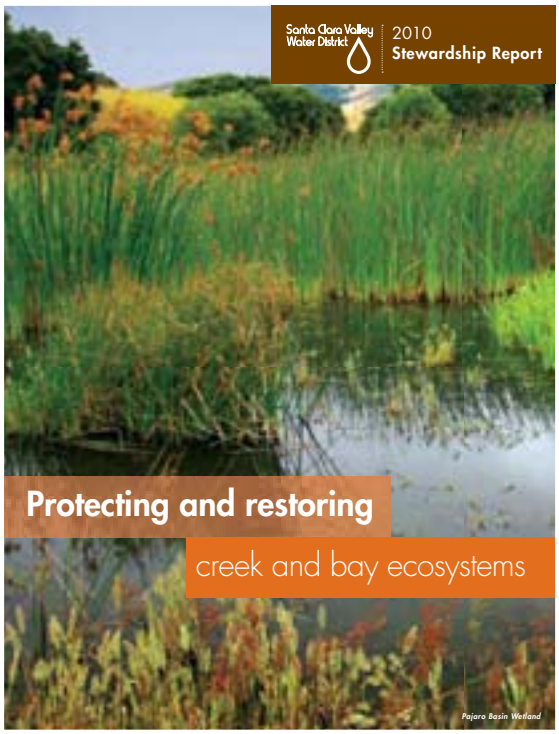
Widening the floodplain in the Guadalupe River

Healthy Creeks and Ecosystems

Enhancing and protecting Santa Clara County's watersheds is critical to supporting our quality of life. These watersheds drain surface runoff into the county's more than 800 miles of creeks and streams, into local reservoirs and the San Francisco and Monterey bays. Protection of watersheds and stewardship of streams results in:

- Clean, safe water in our creeks and bays
- Enhanced or restored ecosystems, which provide habitat and contribute to water quality
- Open space and trails for recreation

In October 2010, the district released its first annual Stewardship Report, showcasing selected environmental stewardship activities of the district. The report detailed the district's progress in preserving habitat, creating wetlands, reducing contaminants, keeping invasive species out of county water, creating open space and reducing greenhouse gas emissions. The report can be found on our website.



2010 Stewardship Report

Ecological Monitoring and Assessment Framework Technical Plan released

In April 2011, the district published its first comprehensive Ecological Monitoring and Assessment Framework Technical Plan. The framework is one element of the Ecological Monitoring and Assessment Program (EMAP), which is being developed to improve the efficiency and effectiveness of the district's ecological monitoring activities.

It describes the science-based foundation to our strategic approach for implementing an ecological monitoring and assessment framework that will improve the efficiency and effectiveness of the district's ecological monitoring activities.

Monitoring of the district's ecological assets is largely mandated by regulatory agencies on a project-by-project basis, producing a piecemeal understanding of the condition of these assets. When fully launched in 2012, the framework will assess the conditions of streams in each watershed and provide guidance to determine how to best maintain or improve those conditions through time. The results will be systematic, informed decision-making and long-range planning of ecological assets.

Former salt pond connected to the San Francisco Bay

The ambitious South Bay Salt Pond Project—the largest wetland restoration project on the west coast—reached a major milestone on June 1, 2011, when tide gates were opened to connect the former salt pond known as Pond A8 near Alviso to the tidal water of Alviso Slough and the San Francisco Bay.

The large concrete structure has eight steel gates that allow for controlled flow of tidal waters into and from Pond A8. Opening the pond to tidal action is vital for the restoration of 1,400 acres of marshland.

Oepining of Pond A8 tide gate

Besides enhancing the environment, the restoration project will also expand recreational opportunities.

The $2.8 million Pond A8 project was funded by the district, a federal stimulus grant and funds from Proposition 40. The district oversaw the design and construction of the tidal gates, which will be operated by the US Fish and Wildlife Service, who owns the pond. The project is part of the first-phase improvements related to the 50-year project to restore more than 15,000 acres to wetlands.

Grants awarded for environmental stewardship projects

In FY 2011 the district awarded more than $3.4 million in Trail and Open Space, Environmental Enhancement Implementation, and Watershed Stewardship grants. Proposals were received from throughout the county and 28 grants were awarded to local governments and non-profit organizations.

These partnerships will allow the district to achieve its ecosystem goals in a way that leverages local funds and supports partnerships with key stakeholders. These grants, combined with other public and private funding, help advance projects costing a total of $16.1 million.

Keeping creeks and rivers clean

The district's efforts to improve watersheds, streams and natural resources encompass a wide range of activities including managing vegetation and removing trash from local streams, supporting additional trails and open space, and restoring wildlife habitat.

The district's countywide trash and graffiti removal program operates year-round with small crews in each watershed performing periodic cleanups at hot spots and responding to trash and graffiti complaints. During the year, the district received 1,020 requests and completed 865 of those requests.

In FY 2010-11, the district:

- Removed approximately 2,000 cubic yards of trash/debris from county streams
- Removed 393,000 square feet of graffiti from 280 identified "hot spots"
- Repaired 8,818 linear feet of fences
- Removed 1 acre of cape ivy and removed 10 acres of smooth cordgrass

In addition, the district plays a leadership role in preserving our local streams by organizing biannual volunteer creek cleanup events and managing the Adopt-A-Creek program, which has more than 100 groups as creek stewards.

Every year, the district joins the Creek Connections Action Group and thousands of volunteers in the two large-scale cleanup events – the National River Cleanup Day and the Coastal Cleanup Day. This year, the two clean up events resulted in:

- The involvement of 2,827 volunteers
- Cleanup events at 86 sites covering 160 creek miles
- The removal of 51,044 pounds of trash and 10,656 pounds of recyclables

Governance and Transparency

2011 elections bring new board members

In December 2010, the water district welcomed three newly elected directors to its seven-member board. The elections brought in new board members Don Gage, Linda LeZotte, Brian Schmidt, and returned Tony Estremera.

During the year, as many as 28 board work study sessions were held to inform the board about the district's key programs, services, finances, challenges and opportunities. These sessions were open to the public, providing the community with the opportunity to also learn more about district operations.

This is one way the district strives to be a transparent, accessible agency that is fully accountable to the community it serves. The district board holds regular public meetings and special board meetings, as needed. Two of the special board meetings were held in different locations in the county, to provide greater access to the community. All meetings are also streamed live on the internet and are accessible in a web archive.

Board agendas and supporting materials are posted ten days in advance so the public has sufficient notice to review the materials and attend the meeting, if they so choose. In addition, a three-month board planning calendar is reviewed in open session and made available so the public is aware of issues coming before the board well in advance.

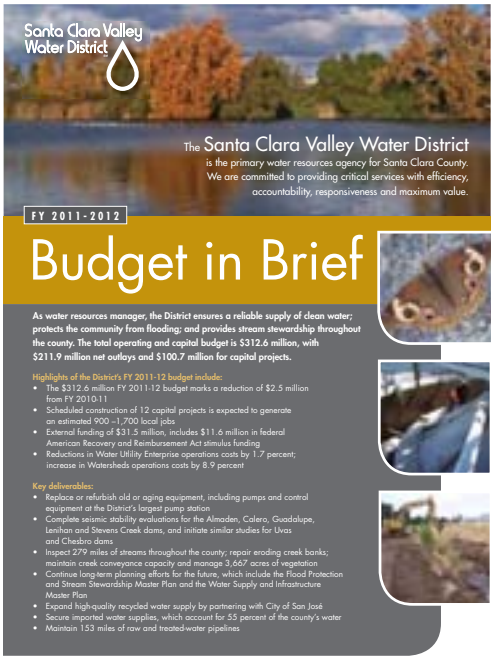
More about the district

In addition, the water district has nine Board Advisory Committees, consisting of 120 community volunteers who advise the board of directors on a range of policy and operational matters. The meetings are open to the public, and the nine committees are:

- The Environmental Advisory Committee
- The Agricultural Water Advisory Committee
- The Landscape Advisory Committee
- Five geographically based Flood Protection and Watershed Advisory Committees
- The Santa Clara Valley Water Commission

As stewards of public funds, our top priority is to deliver needed water management services in an efficient and transparent way. That's why the district annually produces a Budget in Brief soon after the approval of our annual fiscal year budget.

The publication provides an overview of financial highlights, key deliverables and budget priorities for the coming year. This publication is available on our website so the public has a good understanding of our annual commitment to providing needed services cost-effectively.


Santa Clara Valley Water District

The Santa Clara Valley Water District is the primary water resources agency for Santa Clara County. We are committed to providing critical services with efficiency, accountability, responsiveness and maximum value.

FY 2011-2012

Budget in Brief

As water resources manager, the District ensures a reliable supply of clean water; protects the community from flooding; and provides stream stewardship throughout the county. The total operating and capital budget is $312.6 million, with $211.9 million net outlays and $100.7 million for capital projects.

Highlights of the District's FY 2011-12 budget include:

- The $312.6 million FY 2011-12 budget marks a reduction of $2.5 million from FY 2010-11
- Scheduled construction of 12 capital projects is expected to generate an estimated 900 –1,700 local jobs
- External funding of $31.5 million, includes $11.6 million in federal American Recovery and Reimbursement Act stimulus funding
- Reductions in Water Utility Enterprise operations costs by 1.7 percent; increase in Watersheds operations costs by 8.9 percent

Key deliverables:

- Replace or refurbish old or aging equipment, including pumps and control equipment at the District's largest pump station
- Complete seismic stability evaluations for the Almaden, Calero, Guadalupe, Lenihan and Stevens Creek dams, and initiate similar studies for Uvas and Chesbro dams
- Inspect 279 miles of streams throughout the county; repair eroding creek banks; maintain creek conveyance capacity and manage 3,667 acres of vegetation
- Continue long-term planning efforts for the future, which include the Flood Protection and Stream Stewardship Master Plan and the Water Supply and Infrastructure Master Plan
- Expand high-quality recycled water supply by partnering with City of San José
- Secure imported water supplies, which account for 55 percent of the county's water
- Maintain 153 miles of raw and treated-water pipelines

In November of 2000, the voters of Santa Clara County supported a special parcel tax measure entitled the Clean, Safe Creeks and Natural Flood Protection Plan. The program promised four major outcomes to be completed over the course of a 15- year period.

To ensure accountability to the voters, the ballot measure also created an Independent Monitoring Committee to annually review the implementation of the intended results of the program and report its findings to the water district board. The Independent Monitoring Committee meetings are publicly noticed, open to the public and its annual report is available on the district's website.

Community Engagement

Customer and community relations

The district goes to significant lengths to keep the community informed and engaged. In FY11, the district hosted 27 community events, including neighborhood meetings and facility open houses, and regularly communicated with neighbors of district projects and facilities.

The district also carried out extensive outreach to well owners, providing them information on groundwater quality as well giving them an opportunity to formally protest a proposed increase in charges. The formal protest process, which was consistent with Proposition 218, did not result in a majority protest from either North County or South County well owners.

To reach out to the county's very diverse community, the district participated in more than 70 community-sponsored events and festivals. Our booths at these events allowed us to be visible in the community and directly respond to public queries. In FY 2011, the district also sponsored 36 community-based events.

The district also shares project and event information through printed and electronic newsletters, as well as social media.

Water education

The district knows that youth are the environmental stewards and water resources managers of tomorrow, and has developed an in-depth education outreach program. In the FY11 school year, education program staff reached 714 classrooms and nearly 19,000 students. They guided 389 students on tours of the district's outdoor classrooms and participated in 12 special events, both district- and community-sponsored.

We also support the continuing professional development of teachers by providing free teacher training sessions. In FY11, 150 teachers benefited from district-led trainings on water and environmental education.

Teaching kids the value of water resources

During the year, the water district created a new Youth Stewardship Commission, composed of high school students, to inform young people about water management issues, foster environmental stewardship and encourage them to explore and consider careers in the water industry.

Accessing the district

The district's website provides a wealth of information about every aspect of the district's activities, including district policies, water supply, water quality, conservation, flood protection, stream stewardship, capital and maintenance projects, board meetings, finances and contracts. The site logged nearly 815,000 page views in FY11; the greatest number of visitors clicked through to receive flood-safety tips.

The district also has an online customer service center, Access Valley Water, designed to facilitate our speedy response to your inquiries. In FY11, we received more than 2,000 online inquiries and the average response time was 2.4 days.

During the year, the district also began posting photos of project sites on our ValleyWater@Work webpage, giving the public a snapshot of current capital projects and stream maintenance activities in their area.

Question? Comment? Request?
Access Valley Water
is our online customer service center

Year in review | 2010 - 2011

July

The board of directors expands the youth education program to develop a youth stewardship commission with a goal to encourage school children to explore and pursue careers in the water industry and foster environmental stewardship.

October

The district and the City of San José break ground on the high-quality recycled water treatment facility.

December

At the start of the rainy season, the district releases a multi-media information campaign to educate county residents that flooding can be a serious threat even if they don't live in a floodplain, and to provide them useful tips on how to protect themselves from this hazard.

2010

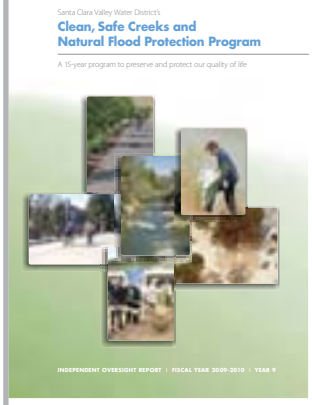
September

On Coastal Cleanup day in Santa Clara County, 1,696 volunteers cover nearly 93 miles of creeks and waterways, collecting 29,843 pounds of trash and 7,955 pounds of recyclable materials.

November

The board approves a joint-use agreement with the City of Gilroy to construct a pedestrian bridge and a pedestrian and bike trail extending nearly one mile along the banks of Lions Creek and West Branch Llagas Creek in Gilroy.

Citing the massive quantities of plastic bags that end up in local creeks, the Board adopts a position to support San Jose's proposed ban on single-use carryout bags.



January

The Independent Monitoring Committee releases the ninth Annual Oversight Report on the status of the district's Clean, Safe Creeks and Natural Flood Protection Plan. The report highlights the district's major accomplishments, including outcome targets that are expected to be exceeded; as well as areas of concern, such as projects that are dependent upon federal and state funding.

February

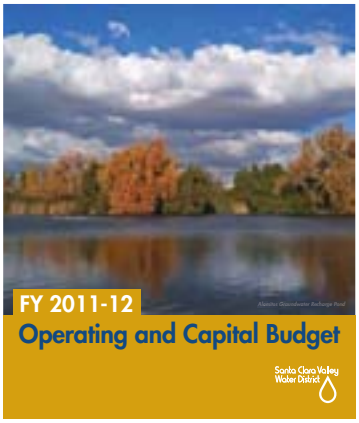
The district completes the extension of the West Virginia Street Bridge and reopens the bridge to vehicular and pedestrian traffic. The bridge widening is part of the Upper Guadalupe River Flood Protection project.

April

The Vasona Pump Plant tour provides the general public and the plant's neighbors an insight on the various aspects of water delivery, water treatment and water measurement.

June

The board adopts a $312.6 million budget for the Fiscal Year 2011-12, which is $2.5 million less than the previous fiscal year budget.



2011

March

The district, along with the California Natural Resources Agency and the City of Mountain View, breaks ground on the Stevens Creek Trail over Highway 85 to Dale/Heatherstone.

National Ground Water Awareness Week is March 6-12, and the District encourages residents to take time to learn how important our supply of groundwater is to maintaining the quality of life and economy of this valley.

national ground water awareness week

May

The district joins the City of San José and the Environmental Protection Agency (EPA) to announce the EPA's award of grant funding for the Clean Creeks, Healthy Communities Program.

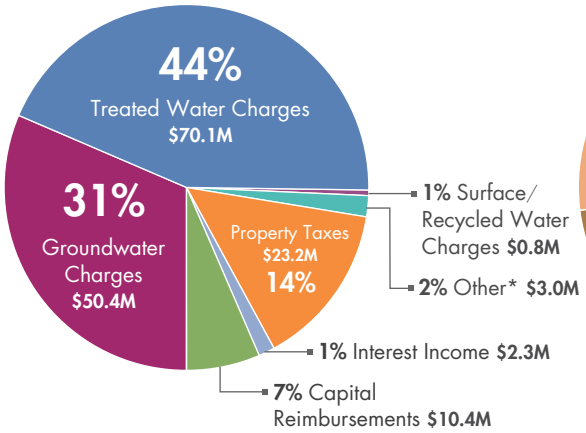
Tide gate at Pond A8 is opened to connect former salt pond to the San Francisco Bay.

Financial Summary

(Budgetary Basis)

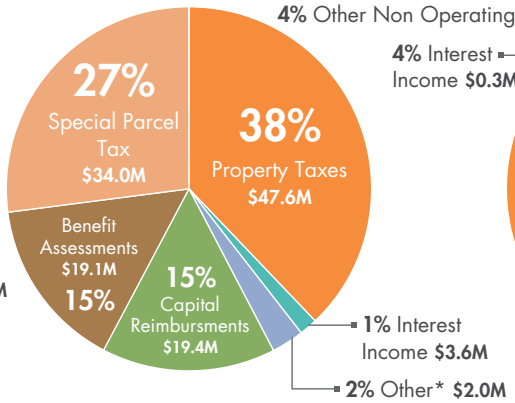
Water Utility Enterprise Fund
(includes state water project fund)

Total Revenues: $160.2 million



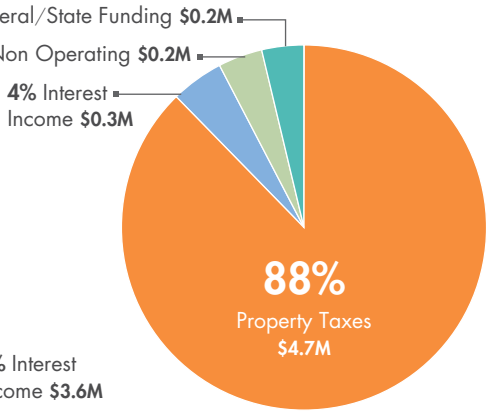
Watershed Funds
(includes Watersheds and Clean, Safe Creeks)

Total Revenues: $125.7 million



General and Internal Service Funds
(Gross $55.4 million)

Total Revenues: $5.4 million



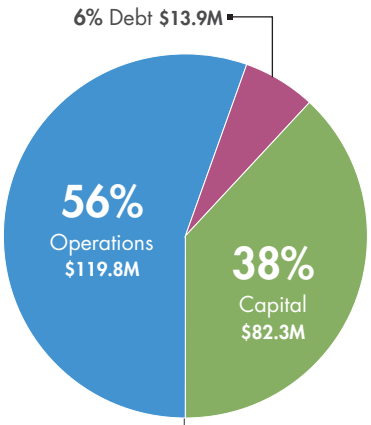
The district receives funding from a variety of sources, including treated water, surface/recycled water and groundwater production charges; proceeds from ad valorem property taxes; Clean, Safe Creeks and Natural Flood Protection special parcel tax; benefit assessments that support financing for flood protection projects; interest earnings, cost-sharing agreements and grants.

Water Utility Enterprise Fund Revenue bonds are rated Aa1 by Moody's and AA Stand & Poor's
The Watershed Certificates of Participation series is rated Aa1 by Moody's and AA+ by Standard & Poor's.

**Others include Federal/State Funding, inter-governmental funds, and other non-operating revenues.*

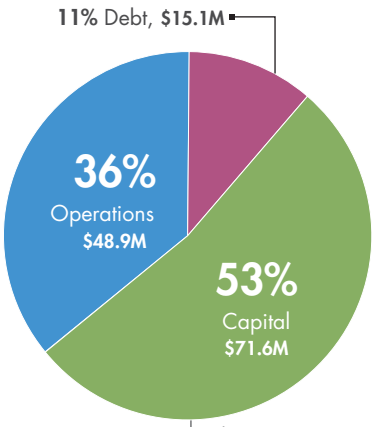
Water Utility Enterprise Fund
(includes state water project fund)

Total Expenses: $216.1 million



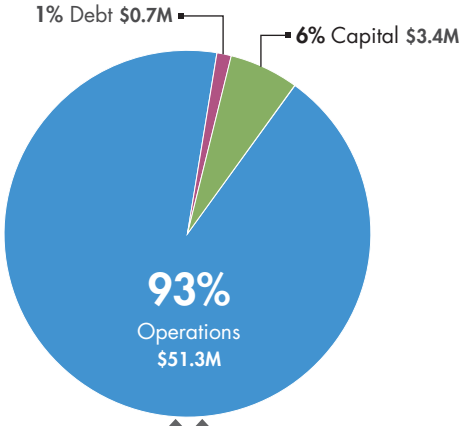
Watershed Funds
(includes Watersheds and Clean, Safe Creeks)

Total Expenditures: $135.6 million



General and Internal Service Funds
(Gross $55.4 million)

Total Expenditures: $6.6 million



$26M intra-district reimbursements

$18M intra-district reimbursements

The data above shows expenditures of each of our business areas for projects and programs that benefit the communities of Santa Clara County. Capital construction projects, debt and intra-district reimbursements are highlighted for each area. Intra-district reimbursements are overhead costs charged to projects for support services such as human resources, IT or legal and financial services.

Two-Year Comparative Changes in Net Assets
Fiscal Year Ending June 30, 2011

(Dollars in Thousands) (Accrual Basis)

	Governmental Activities[1]		Water Utility Enterprise Fund		Total	
	2011	**2010**	**2011**	**2010**	**2011**	**2010**
Revenues						
Program revenues:						
Charges for services	$ -	$ -	$ 121,347	$ 120,264	$ 121,347	$ 120,264.00
Operating grants and contributions			1,458	1,696	1,458	1,696
Capital grants and contributions	38,578	23,690	10,443	1,602	49,021	25,292
General revenues						
Property taxes	86,217	86,852	23,181	24,241	109,398	111,093
Investment earnings	3,337	7,098	1,779	3,787	5,116	10,885
Miscellaneous	2,189	5,161	1,575	5,447	3,764	10,608
Total revenues	130,321	122,801	159,783	157,037	290,104	279,838
Expenses						
General fund	9,954	9,317	-	-	9,954	9,317
Watersheds	54,562	51,841	-	-	54,562	51,841
Interest on long-term debt	7,476	7,841	-	-	7,476	7,841
Water enterprise	-	-	155,389	155,145	155,389	155,145
Total expenses	71,992	68,999	155,389	155,145	227,381	224,144
Increase in net assets						
before transfers of funds	58,329	53,802	4,394	1,892	62,723	55,694
Transfers of funds	(2,811)	269	2,811	(269)	-	-
Increase in net assets	55,518	54,071	7,205	1,623	62,723	55,694
Net assets, beginning	1,158,461	1,104,390	636,837	635,214	1,795,298	1,739,604
Net assets, ending	$ 1,213,979	$ 1,158,461	$ 644,042	$ 636,837	$ 1,858,021	$ 1,795,298

Notes:

[1] *Governmental includes General Fund, Watershed, Clean Safe Creek, Debt Service, and Internal Service Funds*

Santa Clara Valley Water District

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